Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2006-11-07
2. Agency:	015
3. Bureau:	45
4. Investment Name:	Integrated Customer Communications Environment (ICCE)
5. UPI:	015-45-01-11-01-2225-00

6. What kind of investment will this be in FY2008?
Mixed Life Cycle
7. What was the first budget year this investment was submitted to OMB?
FY2004
8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.
The Integrated Customer Communications Environment (ICCE) provides customer service applications through toll-free telephone service and the Internet in Spanish and English. The toll-free telephone service provides automated self-service applications allowing taxpayers to help themselves and applications that route taxpayers to live Customer Service Representatives (CSRs). The Internet component allows taxpayers to check refund status. The IRS uses CSRs to provide toll-free telephone taxpayer assistance in support of the IRS mission. Limited resources resulted in increased taxpayer dissatisfaction but technological advances in the Internet and telecommunications provide a vehicle that allows the IRS to serve its customers more effectively and efficiently. ICCE is an Operational System indicating that the project remains aligned with the Department of Treasury's and IRS's strategic goals and missions, and continues to meet taxpayer needs. The IRS ensures that Operational Systems are executed in a disciplined, well-managed, and consistent manner through oversight, quality control, and executive review. To continue operations and maintenance, the IRS is requesting $17.661M in FY2008. In 2002, ICCE made refund status available through the Internet. This was the first step in IRS meeting Congressional mandates to provide taxpayers with secure online access to account information by 2006. The ICCE team is continues to identify appropriate automated self-service features to incorporate into future releases. ICCE will make technology improvements in the web and telecommunications arenas. ICCE platforms and subsystems will be configured in a more efficient and effective manner, growing a common foundation to support the internet and telephony systems. ICCE is creating a common infrastructure to support both the web and telephone environment. Efficiencies will be achieved through consolidation of VRUs and system platforms resulting in more automation over the web and it is easier to maintain a web-based system. These changes allow for more efficient use of CSRs and decreases maintenance costs. Due to the automation of taxpayer services the government and the taxpayers realize significant time savings as a result of the ICCE project.
9. Did the Agency's Executive/Investment Committee approve this request?
yes
9.a. If "yes," what was the date of this approval?
2006-08-09
10. Did the Project Manager review this Exhibit?
yes
11. Project Manager Name:
Farrell, William P.
Project Manager Phone:
202 283 5082
Project Manager Email:
william.p.farrell@irs.gov
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.
yes
12.a. Will this investment include electronic assets (including computers)?

yes

12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	
no	
13. Does this investment support one of the PMA initiatives?	
yes	
If yes, select the initiatives that apply:	
Expanded E-Government	
13.a. Briefly describe how this asset directly supports the identified initiative(s)?	
ICCE provides direct access to the taxpayer population of their tax status and refund.	
14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?	
no	
14.a. If yes, does this investment address a weakness found during the PART review?	
no	
15. Is this investment for information technology (See section 53 for definition)?	
yes	
16. What is the level of the IT Project (per CIO Council's PM Guidance)?	
Level 2	
17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)	
(1) Project manager has been validated as qualified for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?	
yes	
19. Is this a financial management system?	
no	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	
Hardware	0
Software	0
Services	100
Other	0
21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	
yes	
22. Contact information of individual responsible for privacy related questions.	
Name	
David Kvitkovich	
Phone Number	
202 283 5073	
Title	
Management Analyst	
Email	
David.K.Kvitkovich@irs.gov	
23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?	
yes	

SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in

millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 & Earlier	PY	CY
	-2005	2006	2007
Planning Budgetary Resources	0.000	0.000	0.000
Acquisition Budgetary Resources	4.126	5.475	4.560
Maintenance Budgetary Resources	267.602	8.112	8.311
Government FTE Cost	4.888	3.612	4.110
# of FTEs	44	44	44

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?

yes

2.a. If "yes," how many and in what year?

ICCE is currently reviewing processes, procedures, and manhour requirement; therefore, a firm number is not available at this time.

PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Table 1

	Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
1	2005	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service.	In 2005, due to a reduction in the number of CSR's, the IRS expects that 82% of taxpayers requesting to speak to a CSR will successfully speak to a CSR, a decrease of 5.3%.	The FY2004 baseline for the percentage of taxpayers that request to speak to an IRS CSR that are actually assisted by a CSR is 87.3%.	Toll-Free CSR Level of Service measures the number of successfully handled calls. This goal is monitored as described above. The calculation for this goal is also described above.	CSR Level of Service FY 2005 overall was 82.55% (as of 9/30/05.)

2	2005	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	In 2005, due to a reduction in the number of CSR's, the IRS expects to only maintain a Toll-Free Customer Satisfaction rating of 94.3%. The reductions in CSR's will increase queue times for taxpayers, affecting their Customer Satisfaction.	The FY2004 baseline for the percentage of taxpayers who are satisfied with the help they receive when they call the IRS and speak with a CSR is 94.3%.	Customer Satisfaction is measured using an automated survey in which a selected group of callers from each IRS call center site participates after completing a call. This goal is monitored as described above.	Customer Satisfaction for FY 2005 overall was 93.2% (as of 9/30/2005.)
3	2005	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	By 2005, the IRS expects that 2.3M less taxpayers, or 22.2M, will use the Internet applications to request refund status and any other web services products. A decrease is expected because ACTC was a one-time tax credit received in 2003 to be included as income on 2004 tax returns and will not be used in 2005.	The FY2004 baseline for the number of taxpayers that use the IRS Internet applications to request refund status and verify the ACTC refund amount received is 24.5M taxpayers.	Calculate the number of taxpayers who successfully use the Internet Refund Fact of Filing application to check the status of a refund and any other available web applications. This goal is monitored as described above.	Usage of Internet applications by Taxpayers reached 22.26 Million successful sessions (as of 9/30/2005.)
4	2006	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	In 2006, due to a larger reduction in the number of CSR's, but mitigated by increased efficiencies, the IRS expects to maintain that 82% of taxpayers requesting to speak to a CSR will successfully speak to a CSR.	The FY2005 baseline for the percentage of taxpayers that request to speak to an IRS Customer Service Representative that are actually assisted by a CSR is 82.55%.	Toll-Free CSR Level of Service measures the number of successfully handled calls. This goal is monitored as described above. The calculation for this goal is also described above.	The FY 2006 CSR Level of Service is 83.83% as April 1, 2006.
5	2006	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	The IRS expects a decrease in Toll-Free Customer Satisfaction ratings by 0.3% to 94% by 2006. The planned reductions in CSR's will increase queue times for taxpayers, affecting their Customer Satisfaction.	The FY2005 baseline for the percentage of taxpayers who are satisfied with the help they receive when they call the IRS and speak with a CSR is 93.2%.	Customer Satisfaction is measured using an automated survey in which a selected group of callers from each IRS call center site participate after completing a call. This goal is monitored as described above.	The latest available Customer Satisfaction ratings are 93.1% (as of March 2006.)
6	2006	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	By 2006, the IRS expects that 2.6M more taxpayers, or 24.8M, will use the Internet applications to request refund status and any other web services products.	The FY2005 baseline for the number of taxpayers that use the IRS Internet applications to request refund status and any other web services product is 22.2M taxpayers.	Calculate the number of taxpayers who successfully use the Internet Refund Fact of Filing system to check the status of a refund and any other available web applications. This	Usage of Internet applications by Taxpayers reached 22.7 Million successful sessions (as of 5/03/2006.)

					goal is monitored as described above.	
7	2007	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	In 2007, the IRS expects to only maintain that 82% of taxpayers requesting to speak to a CSR will successfully speak to a CSR. IRS is not increasing this goal because there are a large number of variables which affect it, many of them unknown at this time. This measure will be updated on an annual basis and we will continue to research strategies that will allow us to increase this goal.	The FY2006 baseline for the percentage of taxpayers that request to speak to an IRS CSR that are actually assisted by a CSR is 82%.	Toll-Free CSR Level of Service measures the number of successfully handled calls. This goal is monitored as described above. The calculation for this goal is also described above.	TBD
8	2007	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	The IRS expects to only maintain a Toll-Free Customer Satisfaction rating of 94%. IRS is not increasing this goal because there are a number of variables which affect it, many of them unknown at this time. This measure will be updated on an annual basis and we will continue to research strategies that will allow us to increase this goal.	The FY2006 baseline for the percentage of taxpayers who are satisfied with the help they receive when they call the IRS and speak with a CSR is 94%.	Customer Satisfaction is measured using an automated survey in which a selected group of callers from each IRS call center site participate after completing a call. This goal is monitored as described above.	TBD
9	2007	TREASURY STRATEGIC GOAL: Manage the U.S. Governments Finances Effectively IRS STRATEGIC GOAL: Improve Taxpayer Service	By 2007, the IRS expects that 2.5M more taxpayers, or 27.3M, will use the Internet applications to request refund status and any other web services products.	The FY2006 baseline for the number of taxpayers that use the IRS Internet applications to request refund status and any other web services product is 24.8M taxpayers.	Calculate the number of taxpayers who successfully use the Internet Refund Fact of Filing system to check the status of a refund and any other available web services applications. This goal is monitored as described above.	TBD

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results

EA

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?

yes

2. Is this investment included in the agency's EA Transition Strategy?

yes

2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

Integrated Customer Communications Environment (ICCE)

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.whitehouse.gov/omb/egov/.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Agency Request	ICCE allows customers to obtain the service they require through automated self-service applications via toll-free telephone service and the Internet	Customer Initiated Assistance	Assistance Request			No Reuse	20
2	Multi-Lingual Support	ICCE offers assistance in Spanish as well as English	Customer Initiated Assistance	Multi-Lingual Support			No Reuse	25
3	Online Help	The Internet-based Refund Status application provides online help	Customer Initiated Assistance	Online Help			No Reuse	10
4	Self-Service	ICCE allows customers to obtain the service they require through	Customer Initiated Assistance	Self-Service			No Reuse	5

		automated self-service applications via toll-free telephone service and the Internet					
5	Call Center Management	ICCE routes callers to the appropriate assistance in the IRS call center environment	Customer Relationship Management	Call Center Management		No Reuse	5
6	Custome / Account Management	ICCE supports the retention and delivery of services to IRS customers	Customer Relationship Management	Customer / Account Management		No Reuse	5
7	Customer Analytics	ICCE includes capabilities to allow analysis of custome rcall volumes and Internet queries	Customer Relationship Management	Customer Analytics		No Reuse	5
8	Surveys	ICCE includes capabilities that allow surveying of customers who use the telephone and Internet-based services	Customer Relationship Management	Surveys		No Reuse	5

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Multi-Lingual Support	Service Access and Delivery	Access Channels	Web Browser	Microsoft Internet Explorer
2	Online Help	Service Access and Delivery	Access Channels	Other Electronic Channels	Netscape Communicator
3	Self-Service	Service Access and Delivery	Delivery Channels	Internet	Microsoft Internet Explorer, Netscape Communicator
4	Assistance Request	Service Access and Delivery	Service Requirements	Legislative / Compliance	Web content accessibility (JAWS)
5	Assistance Request	Service Access and Delivery	Service Transport	Supporting Network Services	COTS Network Service(s)
6	Call Center Management	Service Access and Delivery	Service Transport	Service Transport	COTS Network Services Transport(s)
7	Assistance Request	Service Platform and Infrastructure	Support Platforms	Platform Independent	J2EE, SUN Solaris
8	Self-Service	Service Platform and Infrastructure	Support Platforms	Platform Dependent	Microsoft WindowsNT
9	Customer Analytics	Service Platform and Infrastructure	Delivery Servers	Web Servers	Apache, WebSphere

10	Customer / Account Management	Service Platform and Infrastructure	Delivery Servers	Application Servers	Apache WebSphere
11	Surveys	Service Platform and Infrastructure	Software Engineering	Integrated Development Environment	IBM WebSphere Studio, Visual Studio, SUN Workshop, Rational Enterprise Suite
12	Assistance Request	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Rational Clearcase
13	Self-Service	Service Platform and Infrastructure	Software Engineering	Test Management	Emperis Hammer Test Tools

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5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

yes

5.a. If yes, please describe.

Yes. The Internet Refund Status capabilities of ICCE are available through the FirstGov website. As additional applicable components or applications become available, the ICCE Project will evaluate their incorporation. At this time, the other customer service capabilities of ICCE are not supported by common components or applications available elsewhere in the government.

6. Does this investment provide the public with access to a government automated information system?

yes

PART TWO

RISK

You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?

2006-09-15

1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?

no

3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (O&M investments do NOT need to answer.)

Some enhancements to the Integrated Customer Communications Environment (ICCE) subsystems are driven by legislative mandates which cannot be predicted, resulting in annual recurring cost and schedule risks. Project management team evaluates effort and cost associated with past legislative mandates when planning for future system enhancements. The ICCE investment will prioritize legislatively mandated changes over non-legislatively mandated changes.

COST & SCHEDULE

Does the earned value management system meet the criteria in ANSI/EIA Standard 748?

no

2.a. What is the Planned Value (PV)?

5.778

2.b. What is the Earned Value (EV)?

2.889

2.c. What is the actual cost of work performed (AC)?

5.381

What costs are included in the reported Cost/Schedule Performance information?	
Contractor and Government	
2.e. As of date:	
2006-09-30	
3. What is the calculated Schedule Performance Index (SPI= EV/PV)?	
0.5	
4. What is the schedule variance (SV = EV-PV)?	
-2.889	
5. What is the calculated Cost Performance Index (CPI = EV/AC)?	
0.54	
6. What is the cost variance (CV = EV-AC)?	
-2.492	
7. Is the CV or SV greater than 10%?	
yes	
7.a. If yes, was it the CV or SV or both?	
Both	
7.b. If yes, explain the variance.	
BCR is pending for this quarter. Baseline was changed due to budget cuts, inflation rate changes, and re-scoping of functional user requirements resulting in planned funding changes. jey 6/1/06	
7.c. If yes, what corrective actions are being taken?	
The ICCE project performs frequent reviews of all work to be performed. During the reviews the work can be eliminated, added, re-prioritized etc. Also, ICCE has evolved from several "standalone" systems to an integrated system resulting in an all around cost savings. The project continues to realize savings on a yearly basis. These changes resulted in less actual costs vs. the planned costs giving a variance of -9.6% which is within the +/- 10% and does not require a corrective action plan. jey 11/14/06	
7.d. What is most current Estimate at Completion?	
93.176	
8. Have any significant changes been made to the baseline during the past fiscal year?	
no	